

**IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

|                               |   |                               |
|-------------------------------|---|-------------------------------|
| HOLLINGER INTERNATIONAL INC., | ) |                               |
|                               | ) |                               |
| Plaintiff,                    | ) | Case No. 04C-0698             |
|                               | ) |                               |
| v.                            | ) | Hon. Blanche M. Manning       |
|                               | ) |                               |
| HOLLINGER INC., et al.,       | ) | Magistrate Judge Maria Valdez |
|                               | ) |                               |
| Defendants.                   | ) |                               |

**PLAINTIFF SUN-TIMES MEDIA GROUP’S AND DEFENDANT  
HOLLINGER INC.’S JOINT AGREED MOTION  
FOR AN ORDER OF VOLUNTARY DISMISSAL WITH PREJUDICE**

Plaintiff Sun-Times Media Group, Inc. (“STMG”), formerly known as Hollinger International Inc., and Defendant Hollinger Inc. (“HLG”) jointly move this Court under Federal Rule of Civil Procedure 41(a)(2) for an order dismissing their claims against each other with prejudice. The proposed order provides for STMG’s continued right to pursue its claims against the remaining defendants in this Action. In support of this motion, STMG and HLG state as follows:

1. On January 28, 2004, STMG filed a complaint in this Court naming HLG and others as defendants. STMG amended its complaint on May 7 and October 29, 2004. On April 18, 2007, HLG filed counterclaims against STMG in this Action. On August 1, 2007, HLG filed an application in and received an initial order from the Ontario Superior Court of Justice in Ontario, Canada (the “Ontario Court”) for protection and court-supervised reorganization under the Canadian Companies’ Creditors Arrangement Act (the “CCAA”). On May 14, 2007, STMG moved in this Court to dismiss HLG’s counterclaims. STMG’s dismissal motion was still pending when STMG and HLG reached the settlement described below.

2. On March 25, 2008, STMG and HLG executed a term sheet containing, among other things, settlement terms to resolve their respective claims against each other in this Action (the “Original Term Sheet”). On April 14, 2008, STMG and HLG filed an amended joint motion for an order of voluntary dismissal without prejudice conditioned on the Ontario Court’s approval of the Original Term Sheet (the “Joint Motion”). This Court granted the Joint Motion in an April 15, 2008 order dismissing STMG’s and HLG’s respective claims against each other in this Action without prejudice, but providing that those claims would be reinstated if the Ontario Court did not approve the Original Term Sheet.

3. STMG and HLG never presented the Original Term Sheet to the Ontario Court for approval, however, because after this Court granted the Joint Motion, STMG and HLG negotiated a new agreement with HLG’s largest secured creditor, Davidson Kempner Capital Management LLC (“DK”), which had objected in the Ontario Court to the Original Term Sheet. On May 14, 2008, STMG, HLG, and DK executed a new term sheet containing, among other things, settlement terms among the three parties (the “New Term Sheet”). The New Term Sheet, which has been redacted to exclude confidential information contained in its Schedule B, is attached as Exhibit A. On May 21, 2008, the Ontario Court approved the New Term Sheet.

4. In connection with the CCAA proceedings and under the New Term Sheet, STMG and HLG have already signed an agreement fully and finally releasing their respective claims against each other.

5. Under the terms of this Court’s April 15 order, however, STMG’s and HLG’s claims against each other were to be automatically reinstated because the Ontario Court did not approve the Original Term Sheet. STMG and HLG therefore respectfully move the Court to enter the attached proposed order dismissing their respective claims against each other from this Action with prejudice. STMG also requests that this Court’s order make clear, as did the

April 15 order, that STMG retains its right to pursue its claims against the remaining defendants in this Action.

6. Counsel for STMG and HLG contacted counsel to the other defendants to ask whether they had any objections to this joint motion or the attached proposed order. Counsel for defendant Colson stated that he had no objection. Counsel for all other defendants stated that they took no position on the motion. Counsel for STMG and HLG therefore understand that no one will contest this motion, and have therefore put the word “agreed” in the title, in accordance with the Court’s Case Management Procedures.

Dated: July 24, 2008

Respectfully submitted,

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